

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 3, 2013

TO: Honorable Ryan Guillen, Chair, House Committee on Culture, Recreation & Tourism

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2092 by Kuempel (Relating to the transfer of responsibility for regulating deer breeding from the Parks and Wildlife Department to the Texas Animal Health Commission.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2092, As Introduced: a negative impact of (\$1,215,928) through the biennium ending August 31, 2015.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	(\$794,371)
2015	(\$421,557)
2016	(\$421,557)
2017	(\$421,557)
2018	(\$421,557)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from <i>Game, Fish, Water Safety</i> <i>Ac</i> 9	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Probable Savings from <i>Game, Fish, Water Safety</i> <i>Ac</i> 9	Probable (Cost) from <i>General Revenue Fund</i> 1
2014	(\$192,367)	\$192,367	\$466,738	(\$986,738)
2015	(\$288,550)	\$288,550	\$700,107	(\$710,107)
2016	(\$288,550)	\$288,550	\$700,107	(\$710,107)
2017	(\$288,550)	\$288,550	\$700,107	(\$710,107)
2018	(\$288,550)	\$288,550	\$700,107	(\$710,107)

Fiscal Analysis

The bill would amend portions of the Parks and Wildlife Code and the Agriculture code to transfer

the duties and responsibilities of managing deer breeder permits from the Texas Parks and Wildlife Department (TPWD) to the Texas Animal Health Commission (TAHC), effective January 1, 2014.

Under bill provisions, TPWD would transfer all unobligated and unexpended funds, as well as any equipment, property, files, and records specifically designated for deer breeder permits effective January 1, 2014. TPWD would also transfer the maintenance and operation of the deer breeder database. The bill would provide that the TAHC may not use a different numbering system assigned to the breeder deer than what was used by TPWD, effective no later than March 31, 2014.

The bill would take effect September 1, 2013.

Methodology

This estimate assumes that TAHC could perform the same functions as TPWD for deer breeder permitting given the same resources and FTEs as TPWD with the exception of one-time cost for database software conversion, as well as ongoing licensing fees.

Revenue Gain (Loss): TPWD reports there are an estimated 1,281 deer breeder permits issued each fiscal year, at \$200 per permit per year. This computes to a revenue stream of \$256,200 per fiscal year, prorated to \$170,800 in fiscal year 2014 for the January 1, 2014 transfer date. Based on citations issued in fiscal year 2012, TPWD estimates an additional \$32,350 in citations from deer breeder permit violations, prorated to \$21,567 in fiscal year 2014. Together, these amounts reflect a revenue loss to the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9 and corresponding gain to General Revenue of \$192,367 in fiscal year 2014 and \$288,550 in fiscal year 2015 and each year thereafter.

In addition to the amounts shown in the tables above, TPWD receives appropriated receipts from the deer breeders as reimbursement for testing unmarked captive deer for chronic wasting disease and bovine tuberculosis. This analysis assumes the TAHC would continue to receive these appropriated receipts, prorated at \$60,385 in fiscal year 2014 and \$90,578 in fiscal year 2015 and each year thereafter. The continuing receipt by TAHC of third party reimbursements is not shown in the tables above.

Savings (Costs): TPWD reports the direct costs associated with the deer breeder program is approximately \$790,685 per fiscal year, including salaries and benefits for 9.8 FTEs (5.1 wildlife biologists and 4.7 game wardens). This amount consists of salaries (\$498,527), benefits (\$148,262), and operating expenses (\$143,897). After taking into account the portion of this amount funded from appropriated receipts (third party reimbursements), the savings from the Game, Fish and Water Safety Account would be prorated at \$466,738 in fiscal year 2014, and would be \$700,107 in fiscal year 2015 and each year thereafter.

In addition to these amounts, the TAHC's would have additional costs to manage the deer breeder database. As noted below, TAHC's management would result in an additional cost to General Revenue of \$520,000 in fiscal year 2014 and \$10,000 in fiscal year 2015, and each year thereafter. Accordingly, under the bill total General Revenue costs would be \$986,738 in fiscal year 2014 and \$710,107 in fiscal year 2015 and each year thereafter.

Technology

TPWD reports the department would incur minimal additional information technology costs associated with moving the deer breeder database from TPWD to TAHC in fiscal year 2014. However, this analysis assumes any such costs could be reasonably absorbed within the department's existing resources.

TAHC currently uses different software from TPWD to store database information. According to TAHC, TPWD uses an Oracle database software for the deer breeder database. At this time, TAHC uses mySQL and does not have FTEs that maintain Oracle. TAHC indicates the agency would contract out to accomplish the software conversion and estimates this would require two contractors over a 12 month period at \$125 per hour for a total conversion cost of \$520,000 in the first year. The agency estimates yearly ongoing software licensing fees beginning in fiscal year 2015 of \$10,000 and each year thereafter.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 554 Animal Health Commission, 802 Parks and Wildlife Department

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